

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: Fiscal Review Committee Staff

DATE: February 17, 1995

SUBJECT: **HB 21 - SB 405**

This bill, if enacted, will require all organizations having employees or volunteers who have significant contact with children to obtain a background check on those employees or volunteers. This check will be accomplished through a fingerprint check obtained from the Tennessee Bureau of Investigation(TBI) who will be reimbursed for costs incurred. This act applies to any such employee or volunteer who is new or has been with the organization less than one year. An alternative procedure is available to an organization if the cost of such background checks creates an economic hardship on the organization.

The fiscal impact from enactment of this bill is estimated to be an increase in first year state revenues of \$4,800,000 which assumes 100,000 background checks at a cost of \$48 each and an estimated increase in state revenues in the second year of \$2,400,000 which assumes 50,000 background checks at a cost of \$48 each. (Second year will include checks for new employees/volunteers only).

The enactment of this bill is also estimated to result in an increase in first year recurring state expenditures of \$3,040,580 for background checks of state employees and 26 additional positions with TBI to administer the program and a one-time increase of \$3,018,500 to purchase necessary equipment and upgrade computer systems in the TBI. There is an estimated increase in recurring state expenditures in the second year of \$1,825,916 to provide background checks on affected state employees and to fund administrative cost within the TBI.

In addition, enactment of this bill is estimated to result in an increase in local government expenditures* in excess of \$500,000 in the first year and a recurring increase in excess of \$250,000 in the second year for background checks on affected employees.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

Fiscal Review Committee Staff

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*